

House Study Bill 626 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON COWNIE)

A BILL FOR

1 An Act permitting internet wagering by licensees authorized
2 to conduct gambling games on an excursion boat, gambling
3 structure, or racetrack enclosure, and making penalties
4 applicable.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 99F.1, Code 2011, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 16A. "*Internet wagering*" means a method
4 of wagering by which a person may establish an account,
5 deposit money into the account, and use the account balance
6 for wagering by utilizing electronic communication. "*Internet*
7 *wagering*" is limited to wagering on poker games.

8 Sec. 2. Section 99F.3, Code 2011, is amended to read as
9 follows:

10 **99F.3 Gambling games authorized.**

11 The system of wagering on a gambling game as provided by
12 this chapter is legal, when conducted on an excursion gambling
13 boat, gambling structure, or racetrack enclosure at authorized
14 locations by a licensee, or, for internet wagering, when
15 conducted by a licensee pursuant to requirements established by
16 the commission, as provided in this chapter.

17 Sec. 3. Section 99F.4, subsections 14 and 22, Code 2011, are
18 amended to read as follows:

19 14. To require, except for internet wagering, all licensees
20 of gambling game operations to utilize a cashless wagering
21 system whereby all players' money is converted to tokens,
22 electronic cards, or chips which only can be used for wagering
23 on the excursion gambling boat.

24 22. To require licensees to establish a process to
25 allow a person to be voluntarily excluded for life from an
26 excursion gambling boat and all other licensed facilities under
27 this chapter and chapter 99D, or from engaging in internet
28 wagering conducted by a licensee under this chapter. The
29 process established shall require that a licensee disseminate
30 information regarding persons voluntarily excluded to all
31 licensees under this chapter and chapter 99D. The state and
32 any licensee under this chapter or chapter 99D shall not be
33 liable to any person for any claim which may arise from this
34 process. In addition to any other penalty provided by law, any
35 money or thing of value that has been obtained by, or is owed

1 to, a voluntarily excluded person by a licensee as a result of
2 wagers made by the person after the person has been voluntarily
3 excluded shall not be paid to the person but shall be credited
4 to the general fund of the state.

5 Sec. 4. Section 99F.4, Code 2011, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 27. To establish requirements for
8 licensees to conduct internet wagering as provided in this
9 chapter.

10 Sec. 5. Section 99F.4A, subsection 1, Code Supplement 2011,
11 is amended to read as follows:

12 1. Upon application, the commission shall license the
13 licensee of a pari-mutuel dog or horse racetrack to operate
14 gambling games at a pari-mutuel racetrack enclosure or to
15 conduct internet wagering subject to the provisions of this
16 chapter and rules adopted pursuant to this chapter relating to
17 gambling except as otherwise provided in this section.

18 Sec. 6. Section 99F.7, subsection 1, Code Supplement 2011,
19 is amended to read as follows:

20 1. If the commission is satisfied that this chapter and
21 its rules adopted under this chapter applicable to licensees
22 have been or will be complied with, the commission shall issue
23 a license for a period of not more than three years to an
24 applicant to own a gambling game operation, to an applicant to
25 operate a gambling structure, and to an applicant to operate an
26 excursion gambling boat. The commission shall decide which of
27 the gambling games authorized under this chapter the commission
28 will permit including whether the licensee can conduct internet
29 wagering. The commission shall decide the number, location,
30 and type of gambling structures and excursion gambling boats
31 licensed under this chapter. The commission shall allow the
32 operation of an excursion boat or moored barge on or within one
33 thousand feet of the high water marks of the rivers, lakes, and
34 reservoirs of this state as established by the commission in
35 consultation with the United States army corps of engineers,

1 the department of natural resources, or other appropriate
2 regulatory agency. The license shall set forth, as applicable,
3 the name of the licensee, the type of license granted, the
4 location of the gambling structure or the place where the
5 excursion gambling boats will operate and dock, and the time
6 and number of days during the excursion season and the off
7 season when gambling may be conducted by the licensee.

8 Sec. 7. Section 99F.9, subsections 3 and 5, Code 2011, are
9 amended to read as follows:

10 3. The licensee may receive wagers only from a person
11 present on a licensed excursion gambling boat, licensed
12 gambling structure, or in a licensed racetrack enclosure, or
13 from a person engaging in internet wagering. An internet wager
14 may be placed from any location within this state or from
15 any other location where authorized by law, subject to any
16 requirements adopted by the commission.

17 5. A person under the age of twenty-one years shall not
18 engage in internet wagering or make or attempt to make a wager
19 on an excursion gambling boat, gambling structure, or in a
20 racetrack enclosure and shall not be allowed on the gaming
21 floor of an excursion gambling boat or gambling structure or
22 in the wagering area, as defined in section 99D.2, or on the
23 gaming floor of a racetrack enclosure. However, a person
24 eighteen years of age or older may be employed to work on
25 the gaming floor of an excursion gambling boat or gambling
26 structure or in the wagering area or on the gaming floor of a
27 racetrack enclosure. A person who violates this subsection
28 with respect to engaging in internet wagering or making or
29 attempting to make a wager commits a scheduled violation under
30 section 805.8C, subsection 5, paragraph "a".

31 Sec. 8. Section 99F.15, subsection 3, Code 2011, is amended
32 to read as follows:

33 3. A Except for internet wagering conducted as authorized
34 by this chapter, a person wagering or accepting a wager at
35 any location outside an excursion gambling boat, gambling

1 structure, or a racetrack enclosure is in violation of section
2 725.7.

3

EXPLANATION

4 This bill permits licensees authorized to conduct gambling
5 games under Code chapter 99F to conduct internet wagering. The
6 bill defines "internet wagering" as a method of wagering by
7 which a person may establish an account, deposit money into the
8 account, and use the account balance for wagering by utilizing
9 electronic communication. The bill provides that internet
10 wagering on gambling games is limited to wagering on poker
11 games.

12 Code section 99F.4, concerning powers of the state
13 racing and gaming commission, is amended to provide that the
14 commission establish requirements for internet wagering. The
15 Code section is also amended to provide that the current
16 process that allows a person to be voluntarily excluded from a
17 gambling facility shall also apply to internet wagering.

18 Code section 99F.9, concerning wagering, is amended to
19 provide that wagers through internet wagering are authorized
20 and can be made from any location within this state or as
21 authorized by law subject to any requirements adopted by the
22 commission. The Code section is also amended to provide
23 that limits on wagering for persons under the age of 21 at
24 an excursion gambling boat, gambling structure, or racetrack
25 enclosure also apply to internet wagering.